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**Africa Fine Foods Companies Shine at the 2018 Summer Fancy Food Show**

Every year, thousands of food brands head to New York to show off their wares and entice buyers from grocery stores to stock their products. It's a trade show called the Fancy Foods Show, and it's one of the best places to catch trends before they hit grocery store shelves: New products make their debut here, and months later, they appear on the shelves of your local Whole Foods.

Sixteen specialty food firms from five Southern Africa countries exhibited at the Summer Fancy Food Show (SFF

Show) under the [Africa Fine Foods Pavilion](#), from June 30 to July 2, 2018, in New York. The pavilion comprised anchor exhibitors and first-time exhibitors, showcasing a range of products such as dried fruits and nuts, sauces and spices, beverages (crafted, rooibos infused, moringa infused drinks and teas), bean-to-bar chocolates, healthy snacks, olives and extra virgin olive oil, a luxury range of cookies, premium quality frozen pastry products for the cross-over market, marula and baobab based jams and moringa products.

The SFF Show provided an opportunity to meet existing customers and new prospects. First-time exhibitors such as Bakali Foodstuffs, Breva Beverages, Maungo Craft, and Uber Flavour learned about competitor packaging and pricing, buyer expectations, and gained first-hand understanding of the structure of the U.S. specialty food market and distribution channel.

Major United States and international retailers/buyers/distributors that visited the Africa Fine Foods Pavilion included Amazon, Allied International, Andrea Jourdan Fine Foods Grocery, Cost Plus, Encore Importers, Fairway Market, FoodMatch, Giant Food Stores, Glen's Garden, Homegoods, Prime Olive, QuickCheck, United Natural Foods, Inc. (UNFI), Steins Foods (UK), Wegmans Food Markets, Inc., and Whole Foods Market. One of the exhibitors, Brenda Wilkinson from Rip Largo Olive Oil in the Western Cape, South Africa, remarked that she has "never been to a show where buyers show so much interest in South African olive oil."



## Investment in Food Security in Mozambique



Hub supported consortium encompassing Amethis' Fund II, Kibo Capital's Fund II, and Proparco, announced their acquisition of a minority equity stake into Merec Industries ("Merec"), a family-owned wheat and maize miller in Mozambique. Formed in 2001, Merec has since grown into a leading wheat and maize miller and packaged food manufacturer in Mozambique with an increasingly strong export focus. In recent years, Merec's successful product expansion into pasta, biscuits, and animal feed has contributed to its strong footprint in the SADC region.

This investment will support Merec's strategy towards building an integrated, multinational packaged food group, as well as further diversifying its brand through partnerships and acquisitions in Mozambique and across Southern African.

To facilitate this investment, the Hub supported the consortium in understanding the bread market in Maputo and Matola. The work involved, *inter alia*, sizing the market, analyzing market structure, price drivers and elasticities, and assessing distribution channels for bread products. Bread is predominantly sold through informal markets. The analysis provided independent validation of the investment concept, a key requirement for securing investment committee approval. Bread is the key staple food in the urban areas of Mozambique.

The Mozambican market has received limited non-resource related private equity investments, making this transaction an important market precedent. Despite recent economic challenges, the country benefits from a strong demographic profile, robust GDP growth, and a favorable geographic location. The transaction is expected to enhance food security by improving access to bread and wheat-based food products.



## MOU Between Registrar Corp and the Hub



The Hub recently finalized a Memorandum of Understanding (MOU) with Registrar Corp. Registrar Corp ([www.registrarcorp.com](http://www.registrarcorp.com)) assists businesses to comply with U.S. Food and Drug Administration (FDA) regulations. The Virginia-based firm is a market leader, boasting 21 international offices (including Cape Town, South Africa,) over 150 employees, and has aided more than 30,000 companies across 160 countries. Registrar Corp offers FDA compliance assistance for food and beverage, medical devices, drugs, cosmetics, and electronics.

Registrar Corp and the Hub will develop outreach/educational program cost-share surrounding FDA-requirements and registration targeting Hub-assisted value chains and African Growth and Opportunity Act (AGOA) eligible countries within Southern African Development Community (SADC). The program will initially target five of the eight Hub focus countries, namely: South Africa, Lesotho, eSwatini, Zambia, and Botswana. The seminars will be grouped into one-week field visits, targeting two to three sites per visit, starting in late-September.

Registrar Corp will provide subject matter experts to deliver joint seminars with the Hub on FDA-requirements and registration, labeling, and exporting to the United States under AGOA. It will also develop and provide customized presentations and resource materials in collaboration with the Hub. In turn, the Hub will host and organize the seminars through its extensive partnership network of government, private sector, industry associations, and investment and trade promotion agencies.

The Hub and Registrar Corp will also develop, co-brand, and distribute FDA-related informational and outreach materials for distribution (e.g. fact sheets, checklists, brochures, step-by-step guides, registration processes, etc.) during the seminar series.



## TMS Generates Support at SADC Industrialization Week 2018



The Hub generated growing interest in the Truck Monitoring System (TMS) during the 3rd SADC Industrialization Week 2018 (SIW 2018) held from July 30-August 1, 2018 in Windhoek, Namibia. The SIW is an annual public-private engagement platform aimed at fostering new opportunities for intra-African trade and investment in developing cross border value chains in the region.

The objective was to increase interest in TMS and find more public and/or private sector partners who would be willing to co-fund the TMS over the long-term. The Hub also held individual conversations with representatives from private sector associations, chambers of commerce, companies and RECs including the Mauritius Chamber of Commerce, SADC Secretariat, British Embassy in Windhoek, European Union Delegation

(Gaborone), Mott MacDonald (Oil and gas contractor in Africa), IGas, East African Community (EAC), National Retail Association resulting in expressions of various levels of interest.

Recognizing TMS potential to support decision making in transport and logistics infrastructure, the African Export Import (AFREXIM) Bank invited the Hub to present TMS at the Intra African Trade Fair in Cairo from December 11-17, 2018. Previous TMS presentations were delivered at the Transport Policy Program (SSATP) Annual Meeting (AGM) in Abuja, Nigeria from July 2-6, 2018, generating positive responses from corridor secretariats, RECs, donors, and governments. The Hub will follow up with interested parties by sending factsheets and additional information including customized presentations which extol the benefits of TMS.

## Hub Partners with PMA in South Africa



The Hub co-sponsored the, **“Potential for Fresh Produce Trade in Africa”** session with FNB at the Produce Marketing Association (PMA) Fresh Connections Southern Africa Conference & Trade Show held at the CSIR in Pretoria, South Africa from August 15-16, 2018.

The Produce Marketing Association ([www.pma.com](http://www.pma.com)) is an American-based trade organization representing companies from every segment of the global fresh produce and floral supply chain. The organization provides connections that expand business opportunities and increase sales and consumption, a trait that is synonymous with the Hub’s mission. PMA is represented in Australia, Brazil, Chile, China, Mexico, New Zealand, Southern Africa and Europe.

The Hub-supported session discussed the importance of agriculture as a major employer in the African context. The key drivers in produce growth include the rising middle class, urbanization and changing consumer tastes. Challenges include post-harvest losses, lack of regulation, and product quality and delivery.

Panelists for the session were Coillard Hamusimbi from the Indaba Agricultural Policy Research Institute (IAPRI) in Lusaka, Zambia, who was recommended by the Hub, Jaco Oosthuizen (RSA Group) and Cheyo Mwenechana (FNB Zambia). Mr. Hamusimbi made a presentation outlining the potential for Zambia’s fresh produce market. He also indicated the unregulated, non-transparent and uncompetitive informal markets in Zambia present an opportunity for international investors to put in place structures that would organize and focus markets.

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